

MINUTES OF THE  
ASSESSING STANDARDS BOARD

**Approved as Amended**

**DATE:** January 11, 2013

**TIME:** 9:30 a.m.

**LOCATION:** Department of Revenue, Training Room, 109 Pleasant Street Concord

**BOARD MEMBERS:**

Senator David Pierce  
Representative Priscilla Lockwood  
Len Gerzon, Public Member, Chairman  
Eric Stohl, Municipal Official, Towns <5,000  
Fred Keach, Municipal Official, City ~ *Absent*  
Joseph Lessard, NHAAO, Towns >5,000  
Marti Noel, NHAAO

Senator Bette Lasky ~ *Absent*  
Representative Peter Schmidt ~ *Absent*  
Stephan Hamilton, NHDRA  
*Vacant* ~ Municipal Official, Towns >5,000  
Robert J. Gagne, NHAAO, City  
Todd Haywood, NHAAO, Towns <5,000  
Thomas Thomson, Public Member

**MEMBERS of the PUBLIC:**

Jon Duhamel, Laconia  
Mary Pinkham-Langer, NHDRA

Mike Waddell, GES  
Betsey Patten

Acting Chairman Gerzon convened the meeting at 9:30 a.m.

**Election of Chairman**

Selectmen Stohl *nominated Mr. Len Gerzon as Chairman*. Mr. Lessard *seconded the nomination*.  
Selectmen Stohl *motioned nominations cease*. Mr. Lessard *seconded the motion*. Acting Chairman  
Gerzon called the motion. *All approved*.

Chairman Gerzon began the meeting by thanking the Honorable Betsey Patten for her time and service as  
Chairman of the ASB for the past 12 years and summarized the accomplishments and work completed by  
the Board, with her leadership, during that time.

**Election of Vice-Chairman**

Mr. Hamilton *nominated Mr. Bob Gagne as Vice-Chairman*. Mr. Lessard *seconded the motion*.  
Chairman Gerzon called the motion. *All approved*.

Introductions followed of the Board members and public members in attendance.

**Minutes**

Mr. Gagne *motioned to accept the minutes of October 26, 2012, as amended*. Mr. Lessard seconded *the motion*. Chairman Gerzon called the motion. Senator Pierce abstained. *All others approved*.

Selectmen Stohl ***motioned to accept the minutes of November 15, 2012.*** Mr. Gagne ***seconded the motion.*** Mr. Haywood stated the two references of the IAAO on page one should be corrected to reference the NHAAO. Chairman Gerzon called the motion to accept the minutes of November 15, 2012, as amended. Senator Pierce abstained. ***All others approved.***

Mr. Gagne ***motioned to receive and file the public forum notes of November 15, 2012.*** Mr. Haywood ***seconded the motion.*** Senator Pierce abstained. ***All others approved.***

### **Assessment Review Standards**

Mr. Hamilton briefly explained the practice of the Board with regards to the Assessment Review *Standards*, formally called *Guidelines*. At the beginning of each five-year assessment review cycle, the Board reviews and adopts the tests that will be applied during the process, the last being adopted in January of 2008, at the beginning of the second Assessment Review cycle. The third cycle begins in 2013; therefore, it is time for the Board to reexamine the tests that will be applied for monitoring of the local assessment practices.

From a practical standpoint, there is no change. There is no penalty, nor has there been a penalty, for a community that does not meet the review guidelines, now called standards. The process of assessment review is a self-reflective process for the community to help them understand where they can apply limited resources to improve assessment equity within their community while at the same time recognizing where they are doing a good job.

Mr. Hamilton explained the proposed changes to the Assessment Review Standards for the third five-year cycle.

- All references of “~~guidelines~~” have been changed to “***standards***” throughout document to be consistent with statute.
- All references of “~~should~~” have been changed to “***shall***” throughout document.

Mr. Lessard questioned the change in the first sentence of “~~are recommended~~ to ***have been established***” and whether or not the change was consistent with HB 1266. Who is the ASB *recommending to*, the DRA or the Legislature, and whether or not it should be clarified?

A brief discussion followed as to whether “have been established” can be used if the law says “recommended”? Mr. Hamilton suggested if the Board is unclear of the intent, the original language of “are recommended” should be used. If the law changed, editorial corrections can be made to be consistent with the law without changing the standards which are being applied.

Mr. Gagne asked the record to reflect that was the intent but the law did not have the full change that it should have had in the last cycle. Mr. Hamilton added the Department will ask for an opinion from their legal staff to determine which language is most appropriate.

Mr. Hamilton continued with the proposed changes.

- II. Truncated a quote from chapter law of 2003 which is no longer relevant as it pertained to the beginning of the process rather than the continuation of the process.
- III. A. Changed “~~recommended~~” to “*established*”;
- III. A. 1. Mr. Gagne suggested replacing “~~between~~” with *not less than* .90; and adding *not greater than* 1.10
- III. B. 1. Mr. Lessard suggested adding *ASB Reference Manual* to the list of records
- III. B. 2. Accuracy of Data: Recommended change from 95% to 90% accuracy. The Department feels the 95% standard is too tight in particular within a small sample size in a community and is more of an estimation of perfection rather than generally accurate.
- III. B. 4. a. Current Use Record-keeping: This change is in response to a 2008 guideline for which a community may not have had any control over. It provides a community with the process, that if the original documentation cannot be located, they can document their efforts of trying to locate such documentation and not be penalized.

Mr. Lessard questioned the additional language and if the original documentation does not exist, is the suggestion to the municipalities to create a document? Mr. Hamilton responded in order to properly assess the property some determination needs to be made at the local level, even in the absence of information from a taxpayer. This is no different than a property owner who prevents you from entering their home, the municipality still has a duty to provide an accurate assessment to the best of their ability. The Department is working to create a worksheet, not a form, to assist municipalities in documenting the steps they take to collect the information from the owner and how to document what they’ve estimated on their own. This is not a requirement but an option for towns to use if they so choose.

If a municipality refuses the process of estimating a map, they will continue to fail this portion of the assessment review because the records will still be missing a required map. Mr. Hamilton added these types of technical failures within a jurisdiction could potentially undercut proportionality causing taxpayers to pay more or less than their fair share of taxes. The Department would have a duty under the law to bring that to the BTLA to force action, not for failure of recordkeeping but if that failure led to disproportionality.

Mr. Thomson stated he believes the number of landowners who do not respond to the request for a tax map of their current use property is relatively small and municipalities, in most cases, can put something together to be helpful to the landowners. It is the cost of surveys that landowners are concerned about and he feels there could be an educational mechanism through the Current Use Board to work with organizations to assist landowners.

Mr. Hamilton suggested having the conversation with the Current Use Board to express the concerns and gravity of the situation and to see if there can be a solution, such as a worksheet, to make this process as easy as possible.

Proposed changes continued:

- III C. 2.and 3. Exemption and Tax Credit Procedures: Make sure a decision is made on each form, annually; not just that it is filed. Mr. Hamilton will be asking the BTLA, through their rulemaking process, to add a signature line to verify it has been reviewed.
- III D. 1. Material Errors: Recommended change from 85% to 90% due to the tolerance already around this calculation. This change will provide a better indication of how things are generally being applied at the local level.

### **Proposed Legislation**

Representative Lockwood summarized the proposed change in RSA 21-J:14-a, II, lowering the population requirement of both the assessing official and a municipal governing body official representing a population under 5,000 to a population under 3,000. The intent of the change is to have a more appropriate representation on the Board of the municipalities of the State.

Mr. Gagne summarized a concern expressed at the public forum with lowering the requirement of an assessing official due to the smaller towns having contract assessors. The contract assessors handle a larger geographical area so that you may end up with an over-representation of those contractors if changed from less than 5,000 to less than 3,000.

A discussion took place about the pros and cons of maintaining the 5,000 for assessing officials and there was a consensus that the change would not create a problem for the assessing officials.

The next proposed change is the repeal of RSA 21-J:1-a, III, RSA 21-J:14-c, and RSA 21-J:14-d pertaining to the Equalization Standards Board. The duties were reallocated to the Assessing Standards Board but the statute remained. This proposal is to complete the process.

The last proposal is the recommendation of the contribution formula pursuant to RSA 21-J-11-a, III. Ms. Patten stated she put in \$2 per parcel and \$2,000 per municipality. The question came up if this reimbursement would be annually or every five-year cycle. She made the decision for once every five-year cycle to get the proposal completed. This part of the recommendation was not part of any discussion of the Board and can be removed if the Board wishes. There was a consensus of the Board this language was appropriate and was left in.

### **Meeting Schedule**

Friday, February 8, 2013, at 9:30 a.m. at DRA

Friday, March 22, 2013, at 9:30 a.m. at DRA

April – No Meeting

Friday, May 17, 2013, at 9:30 a.m. at DRA

Chairman Gerzon inquired as to any other business. Mr. Haywood requested a discussion on the levels of certification at the next meeting. Mr. Thomson reaffirmed his request for a form for those who lose their

home due to fire or natural disaster to be created by the Department. Mr. Hamilton did indicate the Department was working on it.

Mr. Gagne ***motioned to adjourn.*** Mr. Lessard ***seconded the motion.*** Chairman Gerzon called the motion. ***All approved.***

Chairman Gerzon adjourned the meeting at 12:17 p.m.

Respectfully Submitted, Stephanie Derosier  
NH Department of Revenue Administration – Property Appraisal Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5955  
Facsimile: (603) 230-5943  
Web: [www.revenue.nh.gov](http://www.revenue.nh.gov)  
E-mail: [asb@rev.state.nh.us](mailto:asb@rev.state.nh.us)

In person at 109 Pleasant Street, Concord  
In writing to: NH Dept. of Revenue Admin.  
Assessing Standards Board  
PO Box 487  
Concord, NH 03302-0487